<u>MEMORANDUM</u>

TO: All Insurance Carriers, Self-Insured Employers,

Group Self-Insureds, Regulated Facilities and

Medical Bill Vendors

FROM: _____

Larry M. Greathouse, Commissioner Department of Workers Claims

DATE: April 1, 2002

SUBJECT: 803 KAR 25:091 (Hospital Fee Schedule)

Pursuant to authority granted the Commissioner by 803 KAR 25:091, a schedule of fees for reimbursement for medical services provided by hospitals was developed. This regulation requires the Department of Workers Claims to calculate each hospital's adjusted cost-to-charge ratio each calendar year. Enclosed is a copy of the revised master list of adjusted cost-to-charge ratios for facilities governed by the hospital fee schedule. The revision applies to all hospital bills submitted for services rendered on or after April 15, 2002. The revision includes a twelve percent (12%) return to equity add on and appropriate adjustment for disproportionate share providers as defined by 803 KAR 25:091, Section 3. No additional adjustments should be made to the enclosed list of cost-to-charge ratios. The figure set forth beside each facility's name represents the ratio to be used to adjust the hospital billing pursuant to 803 KAR 25:091.

To apply the hospital fee schedule, the UB-92 billing form should be reviewed to ensure that all the charges arise from treatment of a compensable injury and reflect the usual and customary charges for the services performed by the facility. Once that has been done, the amount billed is multiplied by the facility's adjusted cost-to-charge ratio. This yields the amount due from the carrier or self-insured employer.

If you have any questions or concerns, please contact Cathy U. Costelle at (502)564-5550, Ext. 559.

Gp Enclosure

2002 HOSPITAL COST TO CHARGE RATIO EFFECTIVE 4-15-02

April 1, 2002	COST TO CHARGE
FACILITY NAME	RATIO (12% ADDED)
Baptist Hospital East	67.4204%
Baptist Regional	63.1282%
Berea Hospital	79.9279%
Bluegrass Community	85.0000%
Bourbon Community Hospital	57.7638%
Breckinridge Memorial Hospital	65.8676%
Caldwell County Hospital	64.4940%
Cardinal Hill Rehabilitation	55.7186%
Caritas Medical Center	52.3913%
Carroll County Memorial Hospital	62.3728%
Casey County Hospital*	85.0000%
Caverna Memorial Hospital	58.6446%
Central Baptist Hospital	62.4005%
Clark Regional Medical Center	57.0103%
Clinton County Hospital	64.1854%
Crittenden County Hospital	74.1901%
Cumberland County Hospital	67.6174%
Ephraim McDowell	63.3335%
Flaget Memorial Hospital	58.2947%
Fleming County Hospital	71.5086%
Fort Logan Hospital	71.3000 %
Frankfort Regional Med Ctr	49.6456%
Garrard County Memorial Hospital	80.2525%
Georgetown Community Hospital	48.1399%
Greenview Reg. Hosp.	46.6671%
Hardin Memorial Hospital	62.1896%
Harlan ARH	57.7726%
Harrison Memorial Hospital	62.4220%
Hazard ARH	55.9986%
Healthsouth Northern KY Rehab	53.3552%
Healthsouth Rehab of Central KY	48.4038%
Highland Regional Med Center	55.3953%
Jackson Purchase Medical Center	55.6726%
James B. Haggin Mem. Hospital	71.9009%
Jane Todd Crawford Mem Hosp.	72.6408%
Jenkins Community Hospital	52.7986%
Jennie Stuart Medical Center	60.3600%
Jewish Hospital Inc.	52.1437%
Jewish Hospital Shelbyville	46.9970%
Kings Daughters Medical Center	67.9858%
Knox County Hospital	60.5200%
KY River Med Center	46.9246%
Lake Cumberland Regional Hospital	35.6068%
Livingston County Hospital	73.3179%
Logan Memorial Hosp.	58.3650%
Lourdes Hospital, Inc.	65.8942%
Marcum & Wallace Memorial Hosp.	41.6633%
Marshall County Hospital	80.7673%
Mary Breckenridge Hospital	69.1889%
Mary Chiles Hospital	61.2370%
Marymount Medical Center	64.3712%
McDowell ARH	59.5651%
Meadowview Regional Hospital	46.8891%
Mediplex Rehab (Bowling Green)	58.1065%
Memorial Hospital, Inc.	56.7167%
iviemonai riospitai, inc.	50.7 107%

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Methodist Hospital	73.0818%
Middlesboro ARH	54.2238%
Monroe County Medical Center	69.0612%
Morgan County ARH	51.2707%
Muhlenberg Community	70.2323%
Murray-Calloway Co. Hospital	80.1519%
New Horizons Medical Center	51.8125%
Nicholas Co. Hospital	78.1034%
NKC, Inc.	60.6009%
Norton Audubon Hospital	47.0646%
Norton Southwest Hospital	53.3579%
Norton Springview Hospital	60.2419%
Norton Suburban Hospital	46.6978%
Ohio County Hospital	74.1070%
Our Lady of Bellefonte Hospital	55.2616%
Our Lady of the Way	68.9465%
Owensboro Mercy Health System	63.0500%
Parkway Regional Hospital	58.3986%
Pattie Clay Hospital	62.8998%
Paul B. Hall Regional	35.1830%
Pikeville Methodist Hospital	59.7551%
Pineville Community Hospital	71.8063%
Regional Medical Center	62.6012%
Rockcastle Hospital & Resp. Care	85.0000%
Russell County Hospital	69.1614%
Samaritan Hospital	66.1888%
St Elizabeth Grant Co. Hospital	65.9605%
St Luke Hospital East	60.6961%
St. Claire Medical Center	71.5156%
St. Elizabeth Medical Center	64.0986%
St. Joseph East	53.2283%
St. Joseph Hospital	53.5515%
St. Luke Hospital West	56.9878%
T.J. Samson Community Hospital	75.0961%
Taylor County Hospital	63.8422%
The Medical Center (BG/Scottsville)	57.3751%
The Medical Center at Franklin	85.0000%
Three Rivers Medical Center	45.5612%
Tri County Baptist	71.3395%
Trigg Co. Hospital	82.3057%
Twin Lakes Regional Medical Center	59.3259%
UK Hospital	74.3184%
Union County Methodist Hospital	72.8191%
University of Lousiville	54.4277%
Vencor Hospital	43.9001%
Wayne County Hospital	69.3527%
Western Baptist	64.2021%
Westlake Regional Hospital	53.2798%
Whitesburg ARH	56.9443%
Williamson ARH	53.1301%